



MICHAEL DAVID LICHTENSTEIN  
LOWENSTEIN SANDLER  
65 LIVINGSTON AVE  
ROSELAND NJ 07068-1791

4/28/98

RE: POTENTIAL ENVIRONMENTAL CLAIM  
Couer d'Alene Basin, ID  
WAUSAU FILE H74-102666

As you are aware this office handles the above referenced matter. This will serve to reaffirm and readopt Wausau's previously issued reservation of rights as if fully incorporated herein.

As you know Wausau issued primary liability coverage to the Marmon Group and excess liability coverage to Pritzker Interests and Marmon Holdings.

A review of the Wausau primary policies indicates aggregate "property damage" limits have been exhausted and therefore the Marmon Group would be afforded no further "property damage" coverage under these policies. Further, based on the information submitted to date it would appear the Marmon Group primary policies could not be impacted by the above matter as Cerro Corp, which owned 85% interest in Golconda Mining/Lead, merged with Marmon in 1976 post the expiration of the last Wausau primary policy.

Should you believe the Wausau primary policies could be impacted please advise as to your reasoning and forward supporting documentation including, the Cerro-Marmon merger agreement and documents evidencing the nature of the Cerro acquisition of Golconda. Further, please advise as to whether Golconda is a functioning operation and forward a history of its insurance coverage.

Our records indicate Wausau issued excess liability coverage to Pritzker Interests for the period 10/1/82 through 10/1/84. Wausau also issued excess liability coverage to Marmon Holdings for the period effective 10/1/84 through 11/1/86. All policies are subject to the terms, conditions, limits and exclusions included therein and in the policies to which they follow form. With regards to the above, please forward Granite State policy #6682-3774, Granite State # 66834169, National Union policy #1339366 and National Union policy #1319544.

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Based upon the information presented to date, it does not appear the Wausau excess policies will be impacted. If you have or later obtain any information to the contrary please let us know immediately. Also, if the excess policies apply, please note, coverage would not be provided until all the applicable limits underlying the policies have been exhausted.

Further, please forward copies of documents submitted with Marmons 104(e) response, Bates numbers LS00001-LS002521.

In addition please advise as to whether Marmon has received formal service of suit or whether this remains a potential claim.

Thank you for your cooperation.

Sincerely,



Harold R. Moore III  
Environmental Claims

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